

May 14, 2004

Via email (moab.docketclerk@usda.gov)

Docket Clerk
Marketing Order Administration Branch
Fruit and Vegetable Programs
Agricultural Marketing Service
United States Department of Agriculture
1400 Independence Ave, SW., STOP 0237
Washington DC 20250-0237

Re: **Docket No FV01-926-1 PR**
Federal Register Vol. 69, No. 70, pp. 19118 – 19123

**UPDATED Comments to Proposed Data Collection, Reporting, and
Recordkeeping Requirements Applicable to Cranberries Not Subject to the
Cranberry Marketing Order**

Dear Docket Clerk:

This letter represents the updated comments of Northland Cranberries, Inc. (“Northland”) in response to FDA on the proposed Data Collection, Reporting, and Recordkeeping Requirements Applicable to Cranberries Not Subject to the Cranberry Marketing Order. There was a transposition error in our first comments dated May 13, which should be discarded. That letter reversed the concentrate gallon to barrel of fruit conversion factor we suggest. **Our main concern with the proposed expanded reporting regulation is that the brokers and retail bottlers/packers who would be required to file CMC reports generally use processed forms of cranberry. Standard factors for converting processed products to raw fruit must be published by CMC to ensure consistent reporting and to prevent the release of confidential yield data.**

Northland is a vertically integrated grower, handler, processor and marketer of cranberries and value-added cranberry products. Northland sells its own brand of 100% juice cranberry blends and fresh cranberries, as well as *Seneca* brand juice products, through retail supermarkets and other distribution channels nationwide. Northland sells frozen raw fruit, cranberry juice, cranberry juice concentrate, and sweetened dried cranberries to food brokers and industrial customers who will be affected by these

proposed regulations. As a handler, Northland currently reports production and inventory data to the CMC.

CMC would like to better track fruit inventories after leaving a handler, like Northland. While some of Northland's customers purchase raw fruit, many of our customers are food brokers or retail product bottlers who only buy cranberry juice or juice concentrate. They may have no idea how many equivalent barrels of fruit they have in their inventory and will ask Northland for help in converting the inventory to barrels of raw fruit. While Northland is willing to help our customers comply with the proposed regulations, Northland does not want to divulge confidential yield data to our customers. One could easily imagine processors buying several 5 gallon pails of concentrate just to learn their competitor's juice yields.

To avoid this issue, CMC must publish conversion factors that all parties can use to calculate their raw fruit equivalent inventory if they do not process the fruit itself. While each processor gets somewhat different yields, Northland suggests the following conversion factors:

<u>Product</u>	<u>Conversion</u>
50 Brix Cranberry Concentrate	1 bbl fruit = 1.5 gal conc
Cranberry Puree or Concentrate	Depends on Brix of puree: Weight of puree x 97% recovery x (product Bx/ 7.5 Bx) = weight of fruit
Sweetened Dried Cranberries	100 lb SDC = 200 lb fruit = 2 bbl fruit
Cranberry Sauce	1 6/#10 case = 0.11 bbl fruit 1 24/300 case = 0.073 bbl fruit

Examples:

For 10,000 lb of 28 Brix cranberry puree concentrate, there would be $10,000 \times 0.97 \times (28/7.5) = 36,213$ lb fruit = 362 barrels cranberry

For 8,000 24/300 cases of cranberry sauce, there would be $8,000 \times 0.073 = 584$ bbl fruit

Northland intends to help our trading partners fully comply with these proposed regulations, but we do not want confidential information to be released. CMC must publish standard conversion factors. Thank you for your consideration of our comments. Please feel free to contact me if you have any questions or we can provide additional information.

Sincerely,
Steve Cockram

Steve Cockram
Director of Technical Services
Northland Cranberries, Inc.

cc: John Swendrowski
Ricke Kress
Ken Iwinski